

SENATE BILL NO. 250

INTRODUCED BY K. TOOLE

A BILL FOR AN ACT ENTITLED: "AN ACT STATING THAT ACCESS TO CONSISTENTLY AFFORDABLE NATURAL GAS AND ELECTRICITY IS CRITICAL TO MONTANA; PROVIDING FOR THE CONDEMNATION OF EXISTING NATURAL GAS AND ELECTRIC UTILITIES BY A GOVERNMENTAL ENTITY; AND REQUIRING A GOVERNMENTAL ENTITY TO MEET A TEST BEFORE CONDEMNING AN EXISTING NATURAL GAS OR ELECTRIC UTILITY."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Purpose and findings. (1) The legislature declares that access to consistently affordable natural gas and electric utilities at a high level of customer service is critical to maintaining and preserving life in Montana.

(2) The legislature finds that:

(a) natural gas and electricity have become basic and irreplaceable necessities that impact the public health, safety, and welfare of all Montana citizens; and

(b) in order to provide consistently affordable natural gas and electricity at a high level of customer service, it is in the best interest of the public to allow a governmental entity to condemn privately owned natural gas and electric utilities when the governmental entity can meet the test established for determining public interest provided in [section 2].

NEW SECTION. Section 2. Condemnation of existing natural gas and electric utilities. (1) When condemning a natural gas or electric utility, the governmental entity shall follow the laws for condemnation as outlined in this chapter, except as provided in subsection (2).

(2) For the purposes of meeting the requirements of 70-30-111 and in determining if the taking of a natural gas or electric utility is in the public interest, the court may consider:

(a) the governmental entity's fitness and ability to manage and operate the natural gas or electric utility;

(b) the effects on economic activity resulting from the proposed change of ownership;

1 (c) the effect, if any, on competing public uses and consumers;

2 (d) the benefit to the public in general from the utility project as opposed to the impacts on the
3 social and economic conditions of the people living in the vicinity of the utility project and the entity that
4 currently owns the natural gas or electric utility;

5 (e) effects on public health, safety, and welfare and the environment;

6 (f) public sentiment concerning governmental ownership of the natural gas or electric utility;

7 (g) the effect on rates paid by the consumer;

8 (h) any improvement in the quality of service to the ultimate consumer; and

9 (i) other factors that the court considers relevant.

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11 NEW SECTION. **Section 3. Codification instruction.** [Sections 1 and 2] are intended to be codified
12 as an integral part of Title 70, chapter 30, and the provisions of Title 70, chapter 30, apply to [sections
13 1 and 2].

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